CITY OF MARIETTA, GEORGIA
OFFICE OF ECONOMIC DEVELOPMENT

SMART GROWTH FACT SHEET

From "SMART GROWTH: GETTING BEYOND THE HYPE"
By William Schweke and Milton Herd

Smart growth has become like mom's apple pie. Who, after all, could be in favor of "dumb growth?" But, if this movement is not to fizzle out, like earlier similar efforts (e.g., land use and "carrying capacity" in the 1970s, "growth management" in the 1980s, "sustainable development" in the early 1990s, etc.), then it must overcome the very tough political, institutional, legal, and cultural obstacles that it faces.

Let's start by being clear about terms. In a nutshell, "smart growth" is aimed at ensuring neighborhoods, towns, and regions accommodate growth in ways that are economically sound, environmentally responsible, and supportive of community livability - growth that enhances quality of life over the long term. To achieve that objective, many smart growth strategies encourage development in areas with existing or planned infrastructure. Within those areas, they also encourage mixed-use, pedestrian- and transit-oriented development; establish incentives to enhance investment; lower regulatory barriers to development; and use both state and local funding to improve infrastructure.[1]

Smart growth has become the rage in urban planning since the late 1990's and seems to have overtaken the earlier "sustainable growth" movement. This may be in part due to the more accommodating posture of smart growth, which is generally put forth as a refined version of conventional growth management. It is usually presented as a way of accommodating the demand for growth, but in a more compatible and efficient manner by reshaping the pattern and location of development. By contrast, sustainable development has overtones of a far more rigorous approach to human settlement in which development must preserve non-renewable resources and balance the destruction and replacement of renewable resources.[2]

Smart growth is not only a policy agenda and a new toolkit for planners: it's becoming a movement, a network of thinkers, doers, and organizers. Public opinion polls document that sprawl, traffic congestion, and other related development issues are increasingly cited by the citizenry as key concerns. In the 1998 election, 240 ballot initiatives in 31 states were tied to smart growth issues such as the protection of open space, the management of development, and other such policies. In all 72% of these initiatives were approved, allocating an additional $7.5 billion in state and local spending on smart growth measures. Many governors are seizing upon the issue as well, with over 30 including smart growth in their annual addresses in 1999.

But this forward momentum is a bit deceptive. To date, the movement still does not possess the key elements, such as widespread state and regional policy measures, which suggest that it

might succeed in a way that past growth management initiatives haven't. Secondly, there is less unity in the movement than it appears to be, as the varied constituency groups that are rallying under the smart growth banner actually possess extremely different "smart growth" goals and strategies.

The purpose of this article is to describe the strengths and weaknesses of the current smart growth movement and to outline future steps needed to achieve its goals. This piece draws upon our smart growth consulting practice and the thinking and action of leading researchers, planners, and activists. It begins by describing our latest consulting work in South Chicago and the lessons learned from the project. Next, it uses recent writings by Anthony Downs to explore the challenges remaining. Finally, it outlines an agenda for realizing the potential of the smart growth vision of less sprawl, decreased traffic gridlock, protected open space, mass transit, a better integration of jobs, services and residences, and more cost-effective and aesthetically pleasing property development.

The South Chicago Project

For almost a decade, both of us worked with The Nature Conservancy[3] in many of its most high priority sites, facilitating local planning processes that sought to practice "compatible development" - solutions that promote a dynamic economy, a sound environment, and a quality community[4]. This consulting work with the Conservancy - smart growth under another name - led CFED to synthesize its learning in a book, *Building Healthy Communities: Resources for Compatible Development.*[5] More recently, we collaborated on a Joyce Foundation-financed endeavor, The Smart Growth Demonstration Project. This involved partnering with the South Metropolitan Regional Leadership Center at Governors State University to create a consensus around a smart growth vision among leaders in the south and southwest suburbs of Chicago.

The origins of the project were as follows. For a number of years, public officials, planners, policy think tanks, and citizen groups had been battling over proposals to build a major toll road south of the city, as well as a third airport. With many important exceptions, groups within Chicago tended to oppose these measures, while organizations in South Cook County and the rural and suburban communities in Will and other contiguous counties supported them. Many of the non-profits with smart growth technical expertise labeled the toll road and airport proposals as "dumb growth" and sprawl encouraging. Yet, at the same time, growth boosters, who favored the toll road and airport projects, were also concerned about emerging growth management problems in the region and wished to practice approaches that maintained or even improved the quality of life.

Furthermore, it had become close to impossible to get the two sides to converse amicably about what they had in common and on actions they should take in tandem. The term, "smart growth," had also become tainted in the eyes of those who supported the two major infrastructure projects[6]. (Thus, the participants in the Demonstration Project chose to use the term "balanced" growth).

The Joyce Foundation initially hoped that we could bridge the differences between stakeholders, regarding the airport and toll road projects. Instead, admitting that neither of us were George Mitchell, and the overall time frame was not without limits, we argued that these issues should be set aside and that a dialogue between the "pro and con" leaders within the South Chicago region be focused on determining areas of agreement. The project, hence, sought to:

1. Identify and clarify the varied views about growth, conservation, and development and explore ways that they might be more effectively achieved in tandem;
2. Portray the key trends and facts affecting the growth prospects and dynamics and their quality of life implications;
3. Agree to a smart growth vision and set of principles;
4. Organize a South Region Council for Smart Growth; and
5. Develop and implement a process for achieving the above goals, identify the most promising initial steps, and ways to measure smart growth progress.

We were able to act on this project plan. A Steering Committee of thirty-plus stakeholder leaders became involved in a consensus building process that led to agreement on a balanced growth vision and set of principles, a regional forum aimed at acquainting others with the project, and a decision to institutionalize the group. The leaders proposed that:

- A Center for Balanced Growth Initiatives should be created and that an Advisory Board be structured from the project leadership.
- Both Governors State University and Lewis University would provide support for the Center and arrange a "home" for it.
- The President of Lewis University would continue for the foreseeable future as the chair of the group.
- The Center's main functions would be to: (1) collect and analyze information about balanced growth, add to the knowledge base and help educate citizens and leaders; (2) provide a forum to focus energy and attention on the issues and link all major South entities to each other; and (3) influence public policy in the region. (Wording this differently, its primary roles are information services and research, regional "conversation," and if the first two efforts succeed, policy influence.)
- It would continue to have a South/Southwest geographic focus and include a broad and balanced mix of stakeholders and interest groups.
- The Center's policy specialization would be "balanced growth" - planning growth and achieving equity in the distribution of the benefits of growth.
- Plans are in the works for distributing widely a glossy version of its Balanced Growth Vision and Principles, developing a strategic plan for the proposed Center, crafting a coordination agreement between the two universities, and mounting a serious fundraising effort.

What Did We Learn?

First, smart growth efforts have to be tailored to fit the regional and local politics, history and cast of characters. What works for Portland, Oregon will not fly in South Chicago.

Second, it is very important to home in on what is "solvable" within the time and limits of your project. For instance, we decided that the following issues were "unsolvable."

- Land use policies and governmental powers were extremely fragmented. (And we were not in the position to restructure local governments.)
- The tax structure and financing of local government services were an underlying element in the sprawl problem.
- Racial issues underlie some of the conflicts, and although identified as a key issue, were not explicitly dealt with. (However, a major effort to

involve minorities in the Steering Committee and the regional forums was mounted.)

Yet, there were some tough problems that we could tackle:

- The lack of regional coordination on planning issues and policy.
- The lack of regional leaders without political baggage.
- ”Smart growth" as a term that has been tainted by disagreements over the purposes and motivations of its proponents.
- Serious divisions over what smart growth meant.
- Disagreement over the impact and feasibility of various growth proposals and alternatives on the table.
- Turf issues and competition between municipalities for growth.
- Regional leaders' reluctance to take policy risks or change the status quo, due to fears created by the last serious economic downturn in the early 1980s.

Third, it is possible to get a group of leaders, who have some strong and differing views about growth goals and strategies to improve their relations, to work together cooperatively and to define areas for common action.

Grappling With The "Unsolvable"

Since we set aside a number of tough issues in the Smart Growth Demonstration project, it seems appropriate to draw on our other consulting jobs and the thinking of other experts about the nature of these challenges and of appropriate responses.

In some cases, dealing with the so-called unsolvable issues only requires more time and persistence. But in some cases, it demands a change in political course and much more far-reaching reforms.

Brookings Senior Fellow Anthony Downs clearly identifies a number of these smart growth challenges in a series of recent articles, papers and speeches[7]. Foremost he believes that the many factions in the smart growth movement are likely to splinter, due to their varied perspectives on what really constitutes "smart growth." He states that:

> Throughout the U.S., the term "smart growth" is being adopted by groups trying to change what they regard as the undesirable impacts of "suburban sprawl." Under the umbrella of this appealing term, groups with very different goals are trying to create the appearance of a united front. But in reality, that umbrella is being pulled apart - to the detriment of public policy and the public itself.

He further describes a way to picture these "fault lines" by dividing 14 basic smart growth strategies into three categories, ranging from most contentious to the least:

> 1. "***bones of contention***" (where there is a great deal of conflict between varied smart growth advocates and constituencies over the following strategies) - placing limits on outward extension of further growth (e.g., urban growth boundaries), financing the additional infrastructure needed to deal with growth and maintain existing systems properly (e.g., who pays - new versus existing residents/development projects), and reducing dependency on private automotive vehicles, especially one-person cars;

2. ***partial disagreements*** (between supporters and constituent groups) - promoting compact mixed-use development, creating significant financial incentives for local governments to adopt "smart growth" planning within ground rules laid out by the state government, adopt fiscal resource sharing among localities to equalize the financial situation of individual governments within the region and discourage their pursuing land uses solely to build the tax base, deciding who should control land-use decisions, adopting faster project application approval processes, creating more affordable housing in outlying new-growth areas, and developing a public-private consensus-building process in order to build support for a single, clear definition of the specific elements of smart growth within each region; and

3. "***saying yes***" (where most smart growth enthusiasts are in unison) - preserving large amounts of open space and protecting the quality of the environment, removing barriers to urban design innovation in both cities and new suburban areas, creating a greater sense of community within individual localities and neighborhoods and a greater recognition of regional interdependence and solidarity.

Differences about these strategies among leadership groups, such as anti-growth advocates and environmentalists, homebuilders, developers, chambers of commerce, landowners, inner-city advocates, downtown business leaders, community-based organizations, city planners, trade unions, minority groups, and better-growth proponents could cause the smart growth movement to run out of steam and lead to political gridlock. But, if planning and dialogue processes are well facilitated and are more candid about these differences in the search for middle ground and if each region focuses on its unique needs, opportunities, and choices, Downs contends that there are still grounds for optimism.

Yet, all is still not rosy, according to Downs. Immigration, strong Western and Southern growth trends, the need to replace aging housing and facilities, macroeconomic trends, past public and private investments, and a host of other factors mean that some growth is inevitable in most places. And the most attractive locations will be under the most growth pressure.

Because of the parochial and fragmented nature of their actions, most local government efforts to slow or halt growth will only shift it and further aggravate sprawl development.

Traffic congestion problems are unlikely to be solved, unless the U.S. adopts currently unpopular measures to raise gasoline taxes significantly and the public embraces public transit much more strongly. These latter changes are unlikely Downs argues due to: American property rights attitudes, our wide range of choices about where to live and work, multiple workers per household, exclusionary zoning and racial segregation practices, the flexibility provided by car travel, the desire of companies to work during the same hours so firms can interact efficiently, the need to radically increase urban densities in a short period, and so forth.

How Could Smart Growth Succeed?

Earlier we argued that past history of land use policy reforms would predict that this Smart Growth effort would fail as well. Given our experience and the reflections of Downs and other experts, how could smart growth succeed? To start, smart growth advocates cannot let any utopian notions for change interfere with the opportunities for progress in the short run. This

means finding common ground where possible, while still continuing to educate effectively for more significant changes.

But if business-as-usual is to change, something more is needed. Just doing more of what we have always done will just result in the status quo. So, a two-track strategy is required. While seeking short-term opportunities, smart growth advocates must push for more far-reaching reforms. In our view, smart growth's success requires regional, state, and even federal action. It will not happen if only cities and towns carry the ball.

First, labor unions, central city advocates, racial minorities, and low-income constituencies must push for development strategies that benefit these groups and their communities much more directly. This will help to steer the growth process to economically depressed areas and split these groups apart from other pro-growth voices, such as the developers or the typical chamber of commerce.

Second, since current exclusionary zoning laws tend to segregate America on class and racial lines and separate low-income workers from much of the new job growth, it will be necessary to pursue inclusionary zoning laws. These laws require developers to include some affordable housing in new or redevelopment projects, ensuring access to more potential residents. Such a change could cut the level of reverse commuting by lower-income workers, expand the supply of affordable housing, decrease the geographic concentration of poverty, and improve the prospects for housing asset appreciation for the less affluent.

Third, states must adopt laws that require local, regional and state land use plans to be much more consistent with each other and to take a longer term view of the planning "horizon", such as the 40 to 50 year view that utilities planners take rather than the 10 to 20 year view that land use planners usually take.

Fourth, states must provide fiscal and other incentives to communities that practice smart growth and to priority funding locations (e.g., where the state and region desires to encourage growth or infill development).

Fifth, to make new development (especially infill development) acceptable and compatible with existing communities, states should provide incentives to localities to promote development patterns that do a better job of accommodating people (pedestrians and bicyclists) rather than just accommodating motor vehicles. This can be achieved through such techniques as pedestrian-friendly street design and mixed-use neighborhoods.

Sixth, states must police the business incentive competition within their jurisdictions for footloose plants and discourage the use of incentives for intra-state relocations.

Seventh, regional governments and organizations must be given more authority to create region-wide zoning, growth boundary, and revenue-sharing approaches. To work, local governments must share some real power with these regional entities through pressures and incentives from the state.

Eighth, local, regional and state plans must deal explicitly and pragmatically with infrastructure needs caused by future growth pressures. Plans must be designed to meet the future demand for adequate roads, transit lines and sewer and water services to support the expected level of additional jobs and population. This does not have to mean "business as usual". Rather, urban infrastructure can accommodate future population while also powerfully controlling the location, design and impact of new growth.

Lastly, the American public must decide that it wishes to cut energy use significantly for reasons of national security, pollution abatement, cutting carbon emissions, lessening peak-hour traffic congestion, loss of open space and biodiversity, and sprawl. This will require raising the price of oil, natural gas, coal and other fuels through higher energy taxes or emissions permitting and auctions[8]. (These federal reforms, coupled with increased research and development spending and appropriate government procurement practices, could speed the invention and commercialization of viable hydrogen fuel cell cars.)

Conclusion

None of these bigger changes will happen unless American policymakers and the citizenry embrace the notion that current development patterns must ultimately change if growing communities are to resolve the conflicts over growth. Stronger, longer-range and regionally oriented planning tools must be employed. To accomplish this, policymakers and citizens must be satisfied that the potential benefits of such planning tools will balance the risks and "trade-offs" involved in implementing them. Any such effort that is aimed at changing "business as usual" always comes under attack. Thus, patience, information sharing, and collaborative decision-making are required for such change to happen.

Ultimately, growing urban regions will need to look toward achieving a pattern of development that is closer to a truly "sustainable" pattern than simply a compact, efficient pattern as called for by smart growth policies. The latter concept is simply a growth management tool that focuses on accommodating growth and seeking technological and other solutions that benefit the environment and enhance quality of life without really changing lifestyles, consumer behaviors, and markets. Sustainable development, on the other hand, tries to rethink economic progress and devise innovative strategies for living within the earth's carrying capacity.

Thus, the smart growth movement may be a milestone on the road to sustainable development. If the concept of smart growth is offered as an approach that is based upon collaborative decision-making processes, regional cooperation, shared costs and benefits in achieving greater social and economic equity, and long term overall benefits to the community at large, it may set the stage for progress toward a pattern of human settlement that is sustainable beyond this century.

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1. For more on smart growth, go to www.smartgrowth.org , www.sprawlwatch.org , and www.smartgrowthamerica.org . Also see Lincoln Land Institute (www.lincolninst.edu) and American Planning Association (www.planning.org) websites.

2. Advocates of sustainable development are much more cautious, when it comes to issues such as the degree of substitutability between all forms of capital (physical, human and natural). In addition, they intend to minimize the effects of economic activity (on resource sources and waste assimilation sinks) whenever the costs are borne by future generations. They wish to leave the next generation with a stock of capital no less than this generation has now. And they worry about the carrying capacity of the earth. In short, sustainable development is a far-reaching third economic revolution (the earlier ones were agricultural and industrial), which also seeks to be equitable, both inter- and intra-generationally. This will require big changes in technology, planning, lifestyles, and population growth.

3. The Nature Conservancy (TNC) is one of the largest environmental organizations in the world. Its mission is to preserve the plants, animals and natural communities that represent the diversity of life on earth by protecting the lands and waters they need to survive. TNC has protected more than 92 million acres around the world and has a membership of one million.

4. In a nutshell, CFED and Herd Planning and Design were asked by the Nature Conservancy to design and manage broad-based participatory planning processes, which sought to identify community and economic development strategies that were compatible with environmental protection. Probably, the most successful of these were at the Virginia Coast Reserve on the Chesapeake Bay.

5. For more information, see: William Schweke and Jenni Weinreb, *Building Healthy Communities: Resources for Compatible Development* (CFED: 1997); Center for Compatible Economic Development, *A Citizen's Guide To Achieving a Healthy Community, Economy, and Environment* (CCED/The Nature Conservancy: 1996) and William Weeks, *Beyond The Ark: Tools for an Ecosystem Approach to Conservation* (Washington: Island Press, 1997). The Schweke/Weinreb book is available from CFED (202-408-9788).

6. They, of course, did not like their infrastructure proposals and vision for the region being labeled "dumb growth."

7. See www.anthonydowns.com . The article, "What Does 'Smart Growth' Really Mean?", is especially helpful.

8. CFED and its partners have developed the Sky Trust proposal, a way of dealing with these issues. Based on the idea that the sky is a common asset owned by all Americans, a Sky Trust would promote climate stability by limiting the amount of carbon that could be put into the atmosphere; allowing the market to set a price on the right to emit carbon; collecting revenue from those who buy those rights; and returning revenue to the owners of the sky. This revenue recycling could help industries, workers, and communities hurt by higher energy costs (especially low-income consumers and workers employed by carbon-intensive industries). This is an alternative to increasing the gas tax or creating a carbon tax system. Revenues could even be used to finance research and development for hydrogen powered autos or hybrid vehicle development. See www.cfed.org for more info.